

# Wintermute DeFi Governance Digest —

September 2023 | Week 1

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This week's proposals include Lido deploying wstETH on Cosmos, dYdX launching a Trading Incentives program for V4, Arbitrum launching a 75M ARB grants program, and MakerDAO exploring a fork of Solana's codebase and establishing a formula for a SparkDAO airdrop; along with votes from Aave to increase GHO's borrow rate, and dYdX adopting V4 as the next version of dYdX and DYDX as the L1 token of the dYdX Chain.

## Proposals

### Lido (LDO)

Proposal: [Lido on Cosmos Initial Deployment](#)

Author: Spaydh

Summary:

This proposal outlines the implementation and roadmap of bridging wstETH to the Cosmos ecosystem.

Key Points:

- There has been notable demand for bridging wstETH to the Cosmos ecosystem which if not coordinated correctly, could lead to long-term issues for wstETH and Lido on Cosmos.

Specifically,

- Canto bridging wstETH via a custom fork of the Gravity Bridge
- Injective looking to bridge wstETH via Wormhole
- Osmosis and Axelar are planning to bridge wstETH via Axelar
- Such uncoordinated efforts could lead to vendor lock-in, liquidity fragmentation, technical debt, and uneven security.
- To solve these issues, Lido contributors are working with Hadron Labs (a core contributor to Neutron) to propose a unified bridging solution for wstETH to Cosmos.
- The initial bridge mechanism will use Axelar and a "wrapper contract" to handle the bridging of wstETH in Cosmos.
- The "wrapper contract" will allow bridge providers to be added, removed, or replaced upon the request of the Lido DAO to adhere to its security criteria and long-term bridging vision while avoiding liquidity fragmentation and technical debt.
- A multisig of Cosmos ecosystem contributors will initially own the contract until the contract's ownership can be transferred to the Lido DAO's Arragon smart contracts on Ethereum.
- This will happen once cross-chain governance has been implemented.

Our Take: Ensuring there is a single recognized and supported version of wstETH across Cosmos is super important for security, user experience, reduction in technical debt, and effectiveness of growth efforts.